

ANNEX VI

REGULATION OF MEMBER OF BOARD OF
GOVERNORS

NUMBER 23/4/PADG/2021

DATED 31 MARCH 2021

ON AMENDMENT TO REGULATION OF MEMBER OF
BOARD OF GOVERNORS NUMBER
20/18/PADG/2018 ON HEDGE SWAP
TRANSACTIONS TO BANK INDONESIA

EXAMPLE OF NET SETTLEMENT CALCULATION FOR THE SMALLER
NOMINAL AMOUNT AT EACH EXTENSION OF HEDGE SWAP TRANSACTION
TO BANK INDONESIA

A. Hedging Contract

1. Nominal Value of Hedging Contract: USD20 million.
2. Period of Hedging Contract: 2 years.

B. Hedge Swap Transaction to Bank Indonesia

1. Period: 12 months.
2. Nominal: USD20 million.
3. Transaction date: 12 February 20XX.
4. Value date (first leg settlement of swap 1): 14 February 20XX.
5. Jakarta Interbank Spot Dollar Rate (JISDOR) on 11 February 20XX:
IDR14,000.00.
6. Swap premium for 12 months: IDR600.00.
7. Due value date (second leg settlement of swap 1): 14 February 20XY.
8. Rate in the second leg settlement of swap 1: IDR14,600.00.

C. Extension of Hedge Swap Transaction to Bank Indonesia

1. Extension period: 12 months.
2. Nominal: USD15 million.
3. Extension transaction date: 12 February 20XY.
4. Extension value date (first leg settlement of swap 2): 14 February 20XY.
5. Jakarta Interbank Spot Dollar Rate (JISDOR) on 11 February 20XY: IDR14,500.00.
6. Swap premium for 12 months: IDR650.00.

D. Settlement of Hedge Swap Transaction to Bank Indonesia

Settlement Calculation

1. When a Hedge Swap Transaction to Bank Indonesia falls due, calculation of the second leg settlement of swap 1 on 14 February 20XY is as follows:
 - a. Bank Indonesia will return to the Bank: USD20 million.
 - b. The Bank will return to Bank Indonesia: $(\text{IDR}14,000.00 + \text{IDR}600.00) \times \text{USD}20 \text{ million} = \text{IDR}292 \text{ billion}$.
2. During the extension of a Hedge Swap Transaction to Bank Indonesia, calculation of the first leg settlement of swap 2 on 14 February 20XY is as follows:
 - a. Bank Indonesia will receive transfer from the Bank: USD15 million.
 - b. The Bank will receive from Bank Indonesia: $\text{IDR}14,500.00 \times \text{USD}15 \text{ million} = \text{IDR}217.5 \text{ billion}$.

Transaction Settlement

Net transaction settlement on 14 February 20XY is as follows:

- a. USD settlement = $\text{USD}20 \text{ million} - \text{USD}15 \text{ million} = \text{USD}5 \text{ million}$.
- b. IDR settlement = $\text{IDR}217.5 \text{ billion} - \text{IDR}292 \text{ billion} = (\text{IDR}74.5 \text{ billion})$.

Based on the net transaction settlement calculation result:

- a. Bank Indonesia will transfer to the Bank's account with a correspondent bank amount of USD5 million.
- b. Bank Indonesia will debit the Bank's rupiah checking account an amount of IDR74.5 billion.

MEMBER OF BOARD OF GOVERNORS,

SIGNED

DESTRY DAMAYANTI